



State of Illinois

ENVIRONMENTAL PROTECTION AGENCY

Mary A. Gade, Director

2200 Churchill Road, Springfield, IL 62794-9276

(217) 782-6760

February 15, 1995

Jody Traub, Associate Division Director
USEPA Region V
Office of Superfund
77 West Jackson Blvd.
Chicago, Illinois 60604

re:USEPA request for project expansion at the Taracorp project

Dear Ms. Traub:

This letter is in response to your request to expend an additional \$8 million at the Taracorp site in Granite City, and our discussion at the end of year meeting on Dec.6 and 7, 1994.

For purposes of clarification let me explain our current financial status. The monies that support cleanup activities come from the Hazardous Waste Fund (HWF) pursuant to sec.22.2 of the Environmental Protection Act (Act). The HWF is generally funded by the collection of hazardous waste disposal fees, but we also place penalties and cost recovery dollars in it as well. Of the fees we collect, 10% goes to the Hazardous Waste Research Fund to be administered by the Department of Energy and Natural Resources. Up to 30% of the amount collected annually is allocated for groundwater protection activities. The fund also is designated to support emergency response activities and administrative activities.

We anticipate collecting about \$2.2 million this state fiscal year from the statutory disposal fees under Section 22.2(b) of the Act. We have already committed \$2.8 million for continuing groundwater activities, emergency response, and payroll support. In addition, we have obligations for ongoing remedial actions and other support activities (including laboratory support, title search services, bottle supply services, QAPP reviews etc.). As a result, we are agreeing to use the remainder of the Byron credits by signing this SSC, but we are not in a position where we can make any additional commitment of state funds for state match on this project. Without additional credit from the Byron project, which we feel we are entitled to, we will be unable to support and match any further increases for the Taracorp project.

Of course, we are exploring additional funding through legislative mechanisms. We have tried unsuccessfully for several

EPA Region 5 Records Ctr.

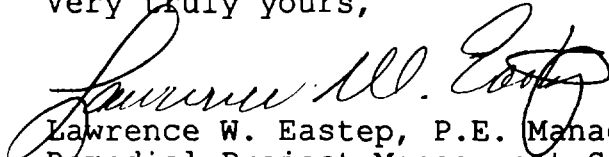


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years to obtain more state funding, but none of these legislative efforts have succeeded. Quite frankly we think that Superfund must be reauthorized and amended to include state delegation aspects in order for IEPA to successfully obtain more funding.

Should you have any questions or comments regarding this letter please feel free to contact Gary King or me directly.

Very truly yours,


Lawrence W. Eastep, P.E. Manager
Remedial Project Management Section

cc: Karen Yeats

bcc: Bill Child
Terry Ayers
Tom Crause

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**OFFICE OF SUPERFUND
ASSOCIATE
DIVISION DIRECTOR**